

AN ORDINANCE 101750

**AUTHORIZING THE SAN ANTONIO HOUSING FINANCE CORPORATION TO ISSUE TAX EXEMPT MULTI-FAMILY HOUSING REVENUE BONDS IN AN AMOUNT NOT TO EXCEED \$10 MILLION TO PROVIDE FINANCING FOR THE CONSTRUCTION OF THE MIDCROWNE SENIOR PAVILION PROJECT LOCATED IN DISTRICT 2; AND ENACTING OTHER PROVISIONS INCIDENT AND RELATED TO THE SUBJECT AND PURPOSE OF THIS ORDINANCE.**

\* \* \* \* \*

**WHEREAS**, the San Antonio Housing Finance Corporation (the "Corporation") was heretofore created pursuant to action of the City Council (the "Council") of the City of San Antonio, Texas (the "City") and is existing and operating pursuant to Chapter 394, Texas Local Government Code, as amended (the "Act"); and

**WHEREAS**, the Corporation has approved the issuance of tax-exempt revenue bonds in an amount not to exceed \$10,000,000.00 (the "Bonds") for use by MidCrowne Senior Pavilion LP; and

**WHEREAS**, Article IV, Section 11 of the bylaws of the Corporation provides limitations on the powers of the Corporation unless the Council otherwise authorizes; and

**WHEREAS**, in accordance with its bylaws, the Corporation has requested that the Council authorize the Corporation's issuance of the Bonds to support the construction of the MidCrowne Senior Pavilion project, which will provide affordable housing within the corporate limits of the City of San Antonio; and

**WHEREAS**, in order to timely assist in the completion of the construction (the "Project"), it is now necessary to authorize the issuance and disbursement of the Bonds; **NOW THEREFORE:**

**BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF SAN ANTONIO:**

**SECTION 1.** So as to enable financing certain costs for the MidCrowne Senior Pavilion project identified and described in Attachment I affixed hereto and incorporated herein for all purposes, the San Antonio Housing Finance Corporation is hereby authorized to issue tax exempt revenue bonds in an amount not to exceed \$10,000,000.00.

**SECTION 2.** The Mayor, City Manager, and the City Clerk hereby are authorized jointly and severally to execute and deliver all documents necessary to effectuate the purposes of the Act. Additionally, the Mayor is hereby authorized to execute the Approval Certificate after a public hearing has been conducted pursuant to the requirements of section 147(f) of the Internal Revenue Code of 1986, as amended.

**SECTION 3.** The recitals contained in the preamble hereof are hereby found to be true, and such recitals are hereby made a part of this Ordinance for all purposes and are adopted as a part of the judgment and findings of the City Council.

**SECTION 4.** All ordinances and resolutions, or parts thereof which are in conflict or inconsistent with any provision of this Ordinance are hereby superseded by this Ordinance to the extent of such conflict, and the provisions of this Ordinance shall be and remain controlling as to the matters ordained herein.

**SECTION 5.** This Ordinance shall be construed and enforced in accordance with the laws of the State of Texas and the United States of America.

**SECTION 6.** If any provision of this Ordinance or the application thereof to any person or circumstance shall be held to be invalid, the remainder of this Ordinance and the application of such provision to other persons and circumstances shall nevertheless be valid, and this City Council hereby declares that this Ordinance would have been enacted without such invalid provision.

**SECTION 7.** It is officially found, determined, and declared that the meeting at which this Ordinance is adopted was open to the public and public notice of the time, place, and subject matter of the public business to be considered at such meeting, including this Ordinance, was given, all as required by Chapter 551, as amended, Texas Government Code.

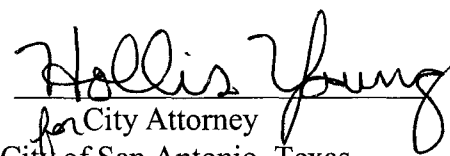
**SECTION 8.** This ordinance shall be effective on and after the 11th day of December, 2005.

**PASSED AND APPROVED** this 1<sup>st</sup> day of December, 2005

  
MAYOR  
PHIL HARDBERGER

**ATTEST:**   
City Clerk

I, the undersigned, City Attorney of the City of San Antonio, Texas, hereby certify that I read, passed upon, and approved as to form the foregoing Ordinance prior to its adoption and passage as aforesaid.

**APPROVED AS TO FORM:**   
for City Attorney  
City of San Antonio, Texas

# Agenda Voting Results

**Name:** 7A.

**Date:** 12/01/05

**Time:** 04:02:26 PM

**Vote Type:** Multiple selection

**Description:** An Ordinance authorizing the San Antonio Housing Finance Corporation to issue Tax Exempt Multi-Family Housing Revenue Bonds in an amount not to exceed \$10 Million to provide financing for the construction of the MidCrown Senior Pavilion Project located in District 2; and enacting other provisions incident and related to the subject and purpose of this Ordinance.

Voter	Group	Status	Yes	No	Abstain
ROGER O. FLORES	DISTRICT 1		x		
SHEILA D. MCNEIL	DISTRICT 2		x		
ROLAND GUTIERREZ	DISTRICT 3		x		
RICHARD PEREZ	DISTRICT 4		x		
PATTI RADLE	DISTRICT 5		x		
DELICIA HERRERA	DISTRICT 6		x		
ELENA K. GUAJARDO	DISTRICT 7		x		
ART A. HALL	DISTRICT 8		x		
KEVIN A. WOLFF	DISTRICT 9		x		
CHIP HAASS	DISTRICT_10		x		
MAYOR PHIL HARDBERGER	MAYOR		x		

## **ATTACHMENT I**

### **MIDCROWN SENIOR PAVILION PROJECT**

A proposed 196-unit multifamily housing facility to be located a block south of Eisenhower Road, San Antonio, Texas. The Project will include 100 one-bedroom units, and 96 two-bedroom units.

**CERTIFICATE OF CITY CLERK**

THE STATE OF TEXAS  
COUNTY OF BEXAR  
CITY OF SAN ANTONIO

§  
§  
§  
§  
§

THE UNDERSIGNED HEREBY CERTIFIES that:

1. On the 1st day of December, 2005, the City Council (the *Council*) of the City of San Antonio, Texas (the *City*) convened in regular session at its regular meeting place in the Municipal Plaza Building of the City (the *Meeting*), the duly constituted members of the Council being as follows:

Phil Hardberger	Mayor
Roger O. Flores	Councilmember
Sheila D. McNeil	Councilmember
Roland Gutierrez	Councilmember
Richard Perez	Councilmember
Patti Radle	Councilmember
Delicia Herrera	Councilmember
Elena Guajardo	Councilmember
Art A. Hall	Councilmember
Kevin Wolff	Councilmember
Christopher "Chip" Haass	Councilmember

and all of such persons were present at the Meeting, except the following: none thus constituting a quorum. Among other business considered at the Meeting, the attached ordinance (the *Ordinance*) entitled:

**AN ORDINANCE AUTHORIZING THE SAN ANTONIO HOUSING FINANCE CORPORATION TO ISSUE TAX EXEMPT MULTI-FAMILY HOUSING REVENUE BONDS IN AN AMOUNT NOT TO EXCEED \$10 MILLION TO PROVIDE FINANCING FOR THE CONSTRUCTION OF THE MIDCROWN SENIOR PAVILION PROJECT LOCATED IN CITY COUNCIL DISTRICT 2; AND ENACTING OTHER PROVISIONS INCIDENT AND RELATED TO THE SUBJECT AND PURPOSE OF THIS ORDINANCE.**

was introduced and submitted to the Council for passage and adoption. After presentation and due consideration of the Ordinance, a motion was made by Councilmember McNeil that the Ordinance be finally passed and adopted as an emergency measure in accordance with the provisions of the City's Home Rule Charter. The motion was seconded by Councilmember Perez and carried by the following vote:

11 voted "For" 0 voted "Against" 0 abstained all as shown in the

official Minutes of the Council for the Meeting.

2. The attached Ordinance is a true and correct copy of the original on file in the official records of the City; the duly qualified and acting members of the Council of the City on the date of the Meeting are those persons shown above, and, according to the records of my office, each member of the Council was given actual notice of the time, place, and purpose of the Meeting and had actual notice that the Ordinance would be considered; and the Meeting and deliberation of the aforesaid public business, including the subject of the Ordinance, was posted and given in advance thereof in compliance with the provisions of Chapter 551, as amended, Texas Government Code.

IN WITNESS WHEREOF, I have signed my name officially and affixed the seal of the City, this 1st day of December, 2005.



Leticia M. Vaca  
City Clerk, City of San Antonio, Texas

*Revised*

#17

Rev. January 2005

DO NOT TYPE IN THIS SPACE		CITY OF SAN ANTONIO													
Approval															
Finance	Budget	Request For Ordinance/Resolution													
Legal	Coordinator														
		Consent <input type="checkbox"/> Individual <input type="checkbox"/>													
		Item No. <i>711-C</i>													
		Ord. No.													
Date: November 16, 2005		Department: Housing and Community Development	Contact Person/Phone #: Andrew W. Cameron/207-6600												
Date Council Consideration Requested: 12/1/05		Deadline for Action: 12/1/05	Dep. Head Signature: <i>Andrew W. Cameron</i>												
<b>SUMMARY OF ORDINANCE</b>															
<p>The San Antonio Housing Finance Corporation, which is governed by the San Antonio Housing Authority, is requesting authorization to issue Tax Exempt Multi-Family Housing Revenue Bonds to support the construction of the following three projects at a cost:</p> <p>A. Not to exceed \$10 Million for a project proposed at Midcrown Drive, one block south of Eisenhower Road in City Council District 2.</p> <p>B. Not to exceed \$13.5 Million for a project proposed at the 6000 block of New Braunfels in City Council District 3.</p> <p>C. Not to exceed \$12.2 Million for a project proposed at Old Highway 90 and Rodriguez Road in City Council District 6.</p> <p>Staff recommends approval of the issuance of Tax Exempt Multi-Family Housing Revenue Bonds for Projects A, B, and C above.</p> <p style="text-align: center;"><b>Council Memorandum Must be Attached To Original</b></p> <p>Other Depts., Boards, Committees Involved (please specify): This item was coordinated with the Finance Department and the City's Financial Advisors. On November 14, 2005, the City Council Urban Affairs Committee directed staff to present all three items to the City Council with a favorable recommendation.</p> <p>Contract signed by other party Yes <input type="checkbox"/> No <input type="checkbox"/></p> <p><b>FISCAL DATA (If Applicable)</b></p> <p>Amount Expended</p> <table border="1"><tr><td>Fund No. N/A</td><td>SAP GL Account N/A</td><td>Funds/Staffing Budgeted Yes <input type="checkbox"/> No <input type="checkbox"/></td></tr><tr><td>*Cost Center N/A</td><td></td><td>Positions Currently Authorized Yes <input type="checkbox"/> No <input type="checkbox"/></td></tr><tr><td>*Internal Order No. N/A</td><td>*WBS (Capital Proj.) N/A</td><td>Impact of future O &amp; M N/A</td></tr><tr><td colspan="2">*(Fill out only the field that is appropriate to your Council action).</td><td>If positions added, specify class and no.</td></tr></table> <p><b>Comments:</b></p> <p>Please submit 3 copies with your original</p>				Fund No. N/A	SAP GL Account N/A	Funds/Staffing Budgeted Yes <input type="checkbox"/> No <input type="checkbox"/>	*Cost Center N/A		Positions Currently Authorized Yes <input type="checkbox"/> No <input type="checkbox"/>	*Internal Order No. N/A	*WBS (Capital Proj.) N/A	Impact of future O & M N/A	*(Fill out only the field that is appropriate to your Council action).		If positions added, specify class and no.
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*(Fill out only the field that is appropriate to your Council action).		If positions added, specify class and no.													

*Done*

**CITY OF SAN ANTONIO  
HOUSING & COMMUNITY DEVELOPMENT DEPARTMENT  
CITY COUNCIL AGENDA MEMORANDUM**

**TO:** Mayor and City Council

**FROM:** Andrew W. Cameron

**SUBJECT:** San Antonio Housing Finance Corporation Requesting Authorization To Issue Tax Exempt Multi-Family Housing Revenue Bonds To Support Construction Of Three Projects

**DATE:** December 1, 2005

**SUMMARY AND RECOMMENDATIONS**

The San Antonio Housing Finance Corporation, which is governed by the San Antonio Housing Authority, is requesting authorization to issue Tax Exempt Multi-Family Housing Revenue Bonds to support the construction of the following three projects at a cost:

- A. Not to exceed \$10 Million for a project proposed at Midcrown Drive, one block south of Eisenhower Road in City Council District 2.
- B. Not to exceed \$13.5 Million for a project proposed at the 6000 block of New Braunfels in City Council District 3.
- C. Not to exceed \$12.2 Million for a project proposed at Old Highway 90 and Rodriguez Road in City Council District 6.

Staff recommends approval of the issuance of Tax Exempt Multi-Family Housing Revenue Bonds for Projects A, B, and C above.

**BACKGROUND INFORMATION**

The San Antonio Housing Finance Corporation is authorized, with City Council approval, to issue Tax Exempt Multi-Family Housing Revenue Bonds for projects located in the San Antonio City Limits. These bonds are insured by a third party, usually FHA, or sold directly to institutional investors and the debt is incurred by a developer. The City is not obligated to provide security for the bonds and the debt will in no way impact the City's credit. The three proposed projects combined, if approved, will add a total of 678 new affordable apartment units, available to families at or below 60% of the area median, to the San Antonio affordable housing inventory. The addition of these affordable units is consistent with the HUD Consolidated Plan approved by the City Council on September 15, 2005. The plan identifies the need for decent affordable one, two and three bedroom rental units throughout San Antonio. The profile of the three proposed projects is as follows:



**PROJECT A**  
*MidCrown Senior Pavilion*

Project Name: MidCrown Senior Pavilion

Location: Midcrown Drive, a block south of Eisenhower Road, City Council District 2

Developer: American Affordable Homes L.P.

Non-profit Partner: An affiliate of the San Antonio Housing Authority

Income mix: 100% Affordable to seniors at 60% or below area median family income

Unit mix:

<b>Bedroom size</b>	<b>Amount</b>	<b>Rent</b>
One bedroom	100	\$579
<u>Two bedroom</u>	<u>96</u>	<u>\$696</u>
Total Units	196 units	
Public Housing Tenants	37 units	

Revenues

Housing Revenue Bonds	\$ 9,890,000
Federal Tax Credits	\$ 5,355,670
Deferred Developer Fee	\$ 1,296,130
To Developer	\$ 1,036,904
To SAHA	\$ 259,226
<u>GIC Earnings</u>	<u>\$ 100,000</u>
<b>Total Project Cost</b>	<b><i>\$16,641,800</i></b>

Total Developer Fee	\$ 1,758,676
<u>Less Deferred Fee</u>	<u>\$ 1,296,130</u>
<b>Amount Paid During Construction</b>	<b>\$ 462,546</b>
To Developer	\$370,037
To SAHA	\$ 92,509

The project has the support of the following:

- City Council Representative
- The School District - no objection
- Neighborhood Associations

**PROJECT B**  
*New Braunfels Gardens*

Project Name: New Braunfels Gardens

Location: 6000 block of New Braunfels Avenue, City Council District 3

Developer: Southwest Housing Development

Non-profit Partner: An affiliate of the San Antonio Housing Authority

Income mix: 100% Affordable to seniors at or below 60% area median family income

Unit mix:

Bedroom size	Amount	Rent
One bedroom	84	\$519
Two bedroom	168	\$622
Total Units	252 units	
Public Housing Tenants	50 units	

**Revenues**

Housing Revenue Bonds	\$12,610,000
Federal Tax Credits	\$ 9,133,090
Deferred Developer Fee	\$ 1,370,736
To Developer	\$1,096,589
To SAHA	\$ 274,147

GIC Earnings \$ 335,256

**Total Project Cost** **\$23,449,082**

Total Developer Fee \$ 2,756,256

Less Deferred Fee \$ 1,370,736

**Amount Paid During Construction \$ 1,385,520**

    To Developer \$1,108,416

    To SAHA \$ 277,104

The project has the support of the following:

- City Council Representative
- The School District - no objection
- Neighborhood Associations

**PROJECT C**  
*Costa Valencia*

Project Name: Costa Valencia

Location: Old Highway 90 at Rodriguez Road, City Council District 6

Developer: NRP Properties

Non-profit Partner: An affiliate of the San Antonio Housing Authority

Income mix: 100% Affordable to families at or below 60% area median family income

Unit mix:

Bedroom size	Amount	Rent
One bedroom	48	\$579
Two bedroom	102	\$696
Three bedroom	80	\$803
Total Units	230 units	
Public Housing Tenants	46 units	

**Revenues**

Housing Revenue Bonds	\$11,162,000
Federal Tax Credits	\$ 7,925,437
Deferred Developer Fee	\$ 1,851,076
To Developer	\$1,480,861
To SAHA	\$ 370,215
GIC Earnings	\$ 100,000
<b>Total Project Cost</b>	<b>\$21,038,513</b>
Total Developer Fee	\$ 2,439,291
Less Deferred Fee	\$ 1,851,076
<b>Amount Paid During Construction</b>	<b>\$ 588,215</b>
To Developer	\$470,572
To SAHA	\$117,643

The project has the support of the following:

- City Council Representative
- The School District - no objection
- Neighborhood Associations

## **POLICY ANALYSIS**

If approved, an additional 678 affordable rental units will be constructed in San Antonio and 135 of these units will be occupied by public housing tenants. The additional units will be developed and maintained at no cost to the City.

## **FISCAL IMPACT**

If approved, bonds will be issued in an amount not to exceed \$10 Million for Project A, not to exceed \$13.5 Million for Project B, and not to exceed \$12.2 Million for Project C for a total amount not to exceed \$35.7 Million to construct 678 units of affordable housing in three different properties.

The bonds are insured or privately placed with institutional investors and will not impact the City's credit. Also, the projects are not requesting HOME funds and therefore, approval of this item is not a forward commitment of the HUD Entitlement Award.

## **COORDINATION**

This item was coordinated with the Finance Department and the City's Financial Advisors. On November 14, 2005, the City Council Urban Affairs Committee directed staff to present all three items to the City Council with a favorable recommendation.

Andrew W. Cameron (grs)

Andrew W. Cameron  
Director, Housing and Community Development

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Jelynn LeBlanc Burley  
Assistant City Manager

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Sheryl Sculley  
City Manager